GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:7711
ANSWERED ON:16.05.2002
NON-RECOVERY OF LICENCE FEE
VINAY KUMAR SORAKE

Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railway Administration has failed to get the agreements renewed with shop owners at Amritsar that led to unauthorised occupation and non-recovery of licence fee amounting to Rs. 1.75 crores during 2000-01;

(b) whether the Comptroller & Auditor General of India has adversely commented on this lapse in his report for 2000-01;

(c) if so, the CAG`s comments and the Government`s reaction thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINIST RAILWAYS (SHRI O. RAJAGOPAL)

(a): No, Sir. In 1981, the land was licensed to shopkeepers. But the shopkeepers had violated the agreement by raising pucca structure instead of temporary one as per the agreement. The licences were cancelled in November 1981 due to violation of agreement.

(b) & (c): Yes, Sir. The following are the comments made by Comptroller and Auditor General in the report:

i) Instead of deriving additional earning, the railway landed themselves in unnecessary litigation.

ii) Proper and complete record of events relating to the case was not available in divisional office or with zonal HQ.

iii) The railway administration failed to take any action for about 16 years from 1982 to 1997 to renew the licences and recover licence fee or get the plots vacated from the parties which resulted in loss of Rs. 1.75 crores on account of non-recovery of licence fee for these plots for the period from January 1982 to March 2001.

The para-wise comments of the Government are as under:

i) In 1981 the sites were offered to the outsiders on licence basis in order to increase the earnings of Railways. As the parties started making pucca structure for shops instead of temporary one as per the agreements, initially efforts were made to stop the constructions. The licences were subsequently cancelled in November, 1981. Consequently, the private parties went to the court and court ordered that the defendants would not eject the plaintiffs from the premises in dispute forcibly. However, its right to evict them in due course of law will not be affected.

ii) The records were seized by Central Bureau of Investigation for investigation in 1982, which were received back in Division in 1997 only.

iii) The proceedings were initiated under PPE Act in 1997. On this 55 allotees filed a case in the Civil CourtAmritsar in August 1997 for permanent injunction against the forcible eviction. This case was decided in favour of Railway in May 2000. Six cases have been already decided in favour of Railway by the Estate Office and these 6 shops have been got vacated. Action has been taken to recover the arrears through District Collector as per the orders of the Estate Officer. The remaining cases are sub-judice in the court of Estate Officer.